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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PAULA WAGNER
4093 Defford Place, Unit B
Norristown, PA 19403,

Plaintiff,

vs.

CLIENT SERVICES, INC.
3451 Harry S. Truman Blvd.
St. Charles, MO 63301-4047,

Defendant.

CIVIL ACTION NO.

COMPLAINT

I. INTRODUCTION

1. This is an action for damages brought by a consumer pursuant to the Fair Debt Collection Practices Act, 15 U.S.C. §1692 (‘FDCPA ’).

2. The FDCPA prohibits collectors from engaging in deceptive and unfair practices in the collection of consumer debt.

3. Defendant is subject to strict liability for sending a collection letter which violates the provisions of the FDCPA.

II. JURISDICTION

4. Jurisdiction arises under 15 U.S.C. §1692k and 28 U.S.C. §§ 1331, 1337.

III. PARTIES

5. Plaintiff Paula Wagner is a consumer who resides in Norristown, Pennsylvania at the address captioned above.

6. Defendant, Client Services, Inc is believed to be a Missouri corporation with a principal place of business in St. Charles, Missouri and a mailing address as captioned.

7. Client Services regularly uses the mail and telephone to attempt to collect consumer debts alleged to be due another.

8. Client Services is a “debt collector” as that term is contemplated in the FDCPA, 15 U.S.C. §1692a(6).

IV. STATEMENT OF CLAIM

9. On April 8, 2008, defendant Client Services sent plaintiff a communication in connection with a debt allegedly due Citibank (South Dakota) NA. (See correspondence from Client Services attached hereto as Exhibit “A”, redacted per local rule for privacy).

10. In the April 8, 2008 letter, defendant states in part: “If the amount written-off is equal or greater than \$600.00, our client is Required by Internal Revenue code, section 6050P, to report this amount and issue a form 1099-C.”

11. Section 1692e of the FDCPA prohibits a debt collector from making false, deceptive, and misleading statements in connection with the collection of a debt.

12. Section 1692e(10) of the FDCPA prohibits a debt collector from using false representations or deceptive means to collect a debt alleged due.

13. Advising plaintiff that Client Services’s client, Citibank, “is required by Internal Revenue code, section 6050P, to report this amount and issue a form 1099-C” is deceptive and misleading in violation of the FDCPA.

14. Section 6050P of the Internal Revenue Code requires that an “applicable entity” report any cancellation or discharge of indebtedness in excess of \$600.00 if, and only if, there has occurred an identifiable event described in paragraph (b)(2) of that section.

15. Here, there is no basis to conclude that a triggering event has or will occur requiring Citibank to file a Form 1099-C.

16. The gratuitous reference in a collection letter that a collector's client may contact the IRS is a collection ploy which suggests to the least sophisticated consumer that he or she could get in trouble with the IRS for refusal to pay the debt.

COUNT I - FAIR DEBT COLLECTION PRACTICES ACT

17. Plaintiff repeats the allegations contained above as if the same were here set forth at length.

18. Defendant's letter violates the Fair Debt Collection Practices Act by making false, deceptive or misleading representations in connection with the collection of a debt by stating circumstances of the issuance of a 1099C form that are deceptive and misleading in violation of §1692e and §1692e(10);

WHEREFORE, Plaintiff Paula Wagner demands judgment against defendant Client Services, Inc. for:

- (a) Damages;
- (b) Attorney's fees and costs;
- (c) Such other and further relief as the Court shall deem just and proper.

V. DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury as to all issues so triable.

Respectfully submitted:

Date: 11/25/08

/s/ Andrew M. Milz (AMM8059)
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